

SECTION 1930 OF THE SOCIAL SECURITY ACT

COMMUNITY SUPPORTED LIVING ARRANGEMENTS (CSLA) SERVICES FOR THE MENTALLY RETARDED AND DEVELOPMENTALLY DISABLED (MR/DD)

DEPARTMENT OF HEALTH AND HUMAN SERVICES HEALTH CARE FINANCING ADMINISTRATION

SUMMARY

This notice announces that the Health Care Financing Administration is soliciting applications from States to provide community supported living arrangements (CSLA) services as an optional Medicaid State plan service in accordance with Section 1930 of the Social Security Act.

Section 1930 of the Social Security Act establishes as an optional Medicaid State plan service, CSLA services for recipients with mental retardation (MR), developmental disabilities (DD), or related conditions. CSLA services represent a new approach in service systems for people with MR/DD. CSLA services programs offer highly personalized services that assist people with disabilities to live in homes they choose for themselves and are based on the concept of consumer choice and non-facility based services for recipients with all levels of disabilities.

CSLA services are available to recipients with mental retardation or a related condition who are otherwise eligible for Medicaid and are living in their own or their family's home, apartment, or other rental unit in which no more than three other recipients receiving these services reside. Recipients need not be at risk of institutionalization to be eligible for these services.

Under this option, a minimum of 2 and a maximum of 8 States will be selected by the Secretary to provide personal assistance, training and habilitation services (necessary to assist the recipient in achieving increased integration, independence and productivity), 24-hour emergency assistance (as defined by the Secretary), assistive technology, adaptive equipment, support services (necessary to aid a recipient to participate in community activities), and other services as approved by the Secretary. Costs related to room and board and prevocational, vocational and supported employment services are specifically excluded from coverage. In order to implement this provision, States may request waivers of such provisions of Title XIX as necessary, including comparability of amount, duration and scope of services and statewideness. Selection criteria, as outlined in this application package, will be used to review the applications of States submitted under

Section 1930 to provide CSLA services. As a criterion for participation, States must maintain a quality assurance program which includes requirements for provider survey and certification and for the protection of recipients from neglect, physical and sexual abuse and financial exploitation.

Additionally, the selection criteria will focus on the States' ability to target the appropriate population groups, to design and implement high quality programs, utilize appropriate providers, and to demonstrate the adequacy of the quality assurance programs. The applications will be reviewed and rated by an objective review committee who will provide recommendations to the Administrator.

Federal financial participation (FFP) for the program is limited by statute to \$5,000,000 for FY 91; \$10,000,000 for FY 92; \$20,000,000 for FY 93; \$30,000,000 for FY 94 and \$35,000,000 for FY 95 for all of the selected States combined. For subsequent fiscal years program funding, if any, will be determined by Congress.

I. AVAILABILITY OF STATE PLAN SERVICES

A. General

This special solicitation announces that HCFA is now accepting applications from State Medicaid agencies for proposals to provide CSLA services as an optional State plan service. Only the single State agency which administers the Medicaid program may submit the application; however, the proposals may be developed in cooperation with other interested groups.

The amendments made by Section 1930 of the Social Security Act apply to CSLA services furnished on or after the later of July 1, 1991 or 30 days after publication of interim final regulations regarding the program. Section 1930 also specifies that the applications required to be submitted by States to provide the service must be received and approved prior to the effective date of the program. HCFA has decided to address these requirements by requiring that applications to provide CSLA services be submitted by August 1, 1991, using the format specified in this application package. State proposals must provide all of the required assurances and supporting documentation described herein. The proposals will be reviewed by an objective panel of experts. Particular emphasis will be given to those requirements identified as criteria for selection (described below in Section II).

HCFA will select the States which will receive funding to provide CSLA services by October 1, 1991, prior to the effective date of the provision. The selected States will then be provided with a preprinted State plan amendment which they will complete and submit to HCFA to formally incorporate CSLA services into each Medicaid State plan. Authorization to provide the services will begin no earlier than the first day of the calendar quarter in which an approvable State plan amendment is submitted.

B. Regulations

The selected States may begin providing CSLA services no earlier than 30 days after publication by HCFA of interim regulations or the first day of the calendar quarter in which an approvable State plan amendment is submitted to HCFA, if that date is later than the effective date of the program. To the extent that the interim regulations, and ultimately the final regulations, contain requirements not in this application package or in the State plan preprint, States will be required to revise their programs to conform to the published regulations as a condition for continued funding.

C. Application Format and Completeness of Application Submitted by States Applying for Federal Funding of CSLA Services Programs

The application format outlined in Sections III and IV of this application package is to be used by States in submitting their requests for FFP to fund the development of CSLA Programs for the MR/DD population in their State.

To be considered in the evaluation process, States must complete the Application Format (Section III) and provide all necessary information and documentation as part of the Conditions for Participation (Section IV). Section II outlines the selection criteria which will be used in the evaluation process.

Responses to items in the application package, including descriptions, documentation, and assurances are to be indicated directly on the application form. If additional space is necessary to respond to a particular item on the application form, attachment pages are to proceed directly after the item. Attachment pages should be labeled with the item number and each page of the attachment should be numbered sequentially.

DUE TO THE COMPETITIVE NATURE OF THIS PROCESS AND IN ORDER TO EXPEDITE THE SELECTION PROCESS, ALL REQUIRED INFORMATION AS INDICATED IN SECTIONS III AND IV OF THE APPLICATION PACKAGE MUST BE INCLUDED IN THE STATE'S APPLICATION. HCFA WILL NOT ACCEPT ADDITIONAL INFORMATION AFTER THE CLOSING DATE. STATES SUBMITTING INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED IN THE REVIEW PROCESS. THOSE SUBMITTING INCOMPLETE APPLICATIONS WILL BE NOTIFIED THAT THE APPLICATIONS WERE NOT CONSIDERED.

D. Closing Date and Time for Applications

The closing date for applications is August 1, 1991. Applications postmarked after that date will not be considered. Applications mailed through the U.S. Postal Service or a commercial delivery service will be "on time" if they are received on or before the closing date, or sent on or before the closing date and received in time for submission to the reviewing program officials. Applicants must obtain a legibly dated U.S. Postal Service postmark or a legibly dated receipt from a commercial carrier or U.S. Postal Service. Private metered postmarks are not acceptable as proof of timely mailing.

APPLICATIONS THAT DO NOT MEET THE ABOVE CRITERIA WILL BE

CONSIDERED LATE APPLICATIONS AND WILL NOT BE CONSIDERED FOR FUNDING. THOSE SUBMITTING LATE APPLICATIONS WILL BE NOTIFIED THAT THE APPLICATIONS WERE NOT CONSIDERED AND THE LATE APPLICATION WILL BE RETURNED TO THE APPLICANT.

States interested in submitting applications must advise HCFA of their intent by July 1, 1991. The letter of intent must contain the name, address, and telephone number of the State contact person. States should mail their letters of intent to Linda Tavener at the address listed below.

Seven copies of the completed application should be mailed to:

Linda Tavener
HCFA
Medicaid Bureau
Room 456 EHR
6325 Security Blvd.
Baltimore, MD. 21207

Questions concerning applications may be addressed to:

Linda Tavener
301-966-5658

Terese Klitenic
301-966-6117

E. Number of States Funded and Available FFP

The Health Care Financing Administration plans to fund up to 8 States to provide CSLA services. If fewer than 8 applications meeting the requirements specified in this document are received, the maximum number of acceptable applications will be funded. If more than 8 applications are determined to be worthy of funding, a ranked list of alternative applications will be maintained in the event that one or more of the original selectees withdraws from participation.

The monies specified by Congress for this service will be divided equally among the States whose applications are selected. If 8 States are selected, each State will have available as federal match one eighth of the allocated funds each year through FY 95.

Assuming that 8 States are funded, the Federal match available for each will be:

FFY 1991 - \$ 625,000
FFY 1992 - \$ 1,250,000
FFY 1993 - \$ 2,500,000
FFY 1994 - \$ 3,750,000
FFY 1995 - \$ 4,375,000.

No Federal monies beyond these amounts are available with respect to CSLA services during each of the fiscal years indicated. Federal program funding allocated for years prior to the effective date of this provision cannot be expended nor can monies unspent be applied to services provided in subsequent years.

HCFA reserves the right to change the relative level of funding awarded to any or all of the selected States based on the recommendation of the objective review committee. States which believe they are unable to operate under any potential reduction in funding may withdraw from participation.

II. CRITERIA FOR SELECTION

The applications will be reviewed and rated by an objective review committee. Based on the information contained in the Application Format (Section III) and the Conditions of Participation (Section IV), the criteria outlined below will be used to arrive at an award decision. HCFA reserves the right to select among the most qualified proposals in order to obtain a cross section of States to participate in the delivery of CSLA services. Such a cross section might include: geographic or regional mix; various urban/rural population mixtures; States with different types of MR/DD system administrative organization; a mix of States with well-established and those with less developed (or non-existent) community service systems in general or supported living programs in particular; and, diverse types and breadths of target populations and client selection criteria.

- A. Adequacy of Program Design and Program Funding (30 points). In the review process, preference will be given to States with innovatively designed programs focusing on client-centered care and community integration of CSLA services programs. These are programs in which recipients are afforded an informed choice of living arrangements, services, and providers, and in which recipient independence and productivity are fostered. Also, the State must demonstrate that its CSLA services program design can be implemented and designed with available funding by Medicaid and any other alternative funding sources. The State must demonstrate that necessary service delivery and quality care will be maintained through the course of the program from start-up through year five. States should clearly present the overall organizational structure of the program as well as the organizational design for recipient outreach, service delivery and recipient follow-up.
- B. Identifying the Target Population (20 points). The State must demonstrate that it has a thorough knowledge and capability to identify its target population, to define how and why the target population will be selected and the population's need for services, to project the potential number of recipients it will serve at program start-up and during the course of the program as required by Section 1930. If the target population is narrowly defined or targeted toward the less impaired, the State must fully justify this choice. The State must thoroughly describe its outreach efforts and its intake evaluation -- these efforts should reflect a complete understanding of the types of recipients that will be included in the CSLA services program and the CSLA service needs of the target population.
- C. Services and Providers (30 points). The State must demonstrate that it has a thorough knowledge and ability to

develop and provide CSLA service programs which are designed for the needs of individual recipients in the target population. Given that Medicaid does not cover the whole range of services needed by this population, the State must demonstrate how its program will be integrated into the existing community resources such as education, employment and recreation. Programs which incorporate measures of recipient satisfaction, assurances of recipient choice in regard to services received and living arrangements, and recipient contact in monitoring the provision of services will be given preference in the selection process.

Additionally, the following elements must be clearly demonstrated:

1. how the State's proposed CSLA services program differs from traditional models of community based care (community ICF/MR, congregate living arrangements) for the target population;
2. the adequacy and appropriateness of facilities and other resources necessary to develop the CSLA program, including description of the adequacy of any collaborative arrangements and the extent to which the proposed program builds upon existing support and service delivery systems (both formal and informal) and the level of integration of the CSLA services program into the community;
3. provider descriptions and provider responsibilities should be clearly linked to services they will provide;
4. the Individual Support Plan (ISP) should reflect provider responsibilities and recipient service needs and preferences. (The State should demonstrate the measures that will be taken to include recipient's preferences and decisions in the ISP).
5. provider adequacy should be demonstrated; including adequacy of provider education, training, and realistic capacity to provide CSLA services. Also, the State must show that monitoring of provider services will occur and that all provider assurances, standards, and certifications are in place at the time of program start up.
6. provider payment arrangements are in place to assure billing through the Medicaid Management Information System;

7. provider payment methodologies should be efficient;

and

8. recipient monitoring and evaluation plans should be reflected as a component of the CSLA services program (including evidence that the program is adequately structured to meet recipient needs as they progress and change the program over time).

- D. Quality Assurance and Minimum Protections (20 points).
Applicants must demonstrate their ability to implement and run the Program within this schedule in an efficient manner, while assuring that quality care is maintained. Also the level of recipient participation in the development of all of the processes described below should be clearly specified. States which have integrated the recipient and recipient's preferences into these processes will be given priority.

The State should clearly demonstrate that procedures are in place to survey and certify providers, monitor program services, and maintain quality assurance standards. Recipient minimum protections standards should be clearly specified.

The Secretary will not approve a quality assurance plan under this subpart and allow a State to continue to receive FFP unless the State provides for public hearings on the plan prior to adoption and implementation of its plan under this section. Each State must therefore submit with this application evidence that public hearings have been held. Such evidence should consist of summaries or transcripts of the hearings. In addition, the State should provide evidence that the public comments have been considered and addressed in developing the final application. States must adequately document and describe the hearing process in order to be considered eligible to apply for the CSLA services program.

III. APPLICATION FORMAT

A. Overview of Program Design and Organizational Structure of the CSLA Services Program

1. Overview of Program Design

Using no more than 4 single spaced pages the State should highlight key features of its application, interrelate materials in the application to policies and practices that the State may already have in place that are relevant to the delivery of CSLA services, and emphasize other points regarding its application that it believes would assist HCFA in evaluating the application. States may include information on the innovativeness of the program design and how the proposed program differs from traditional models of community care in the State for the target population.

See Section A.

2. Overview of Organizational Structure of the CSLA Program

- a. States should provide a diagram of the organizational structure of the proposed program and its relationship to other agencies and programs involved in the implementation and delivery of CSLA services.
- b. States should provide a flowchart of the recipient outreach, intake, services delivery, and recipient follow-up as proposed in the State's CSLA services program.

See organization charts and flow chart.

A1. Overview of Program Design

During the past 18 months, as part of its supported living project, the Department of Health and Rehabilitative Services has been assisting persons with developmental disabilities to live in their own houses or apartments dispersed throughout their local communities. Florida's supported living initiative began at the "grass roots" level with a growing awareness among persons with developmental disabilities, their families, advocates, and service providers that many people with developmental disabilities are capable of assuming more responsibility and control over where and how they live their lives. It became increasingly more apparent that if people with developmental disabilities could be supported to work in the community, they could also be supported to live in the community.

In 1988 the department received a grant from the Florida Developmental Disabilities Planning Council for a project to investigate the ways that supported living was being carried out in Florida and throughout the nation and to develop a model for the cohesive delivery of services that could be replicated throughout the state. The resulting model for supported living has guided a modest initiative that is effectively serving approximately 450